

MINUTES OF THE NC-SARA BOARD MEETING
October 28-29, 2020
VIRTUAL MEETING
DENVER, COLORADO

NOTICE OF MEETING

Notice of the time and place of the NC-SARA Board Meeting was posted on the NC-SARA website and given to the Board members, regional compact SARA staff, and other interested parties.

An agenda is maintained in the NC-SARA office at 3005 Center Green Drive, Suite 130, Boulder, Colorado, 80301 and online at www.nc-sara.org.

Welcome and introduction:

Teresa Lubbers, Chair

Board members in attendance:

Rob Anderson
Barbara Ballard
Chris Bustamante
John Cavanaugh
Art Coleman
Kathryn Dodge
Laurie Dodge
Dianne Harrison
Susan Heegaard
Paul Lingenfelter
Teresa Lubbers
Leah Matthews

Demarée Michelau
Stephen Pruitt
Pamela Quinn
Edward Ray
George Ross
Paul Shiffman
Peter Smith
Michael Thomas
Larry Tremblay
Leroy Wade
Belle Wheelan

NC-SARA staff present:

Raymond Audett
Marianne Boeke
Melanie Booth
Lauren Brunell
Rachel Christeson
Mary Larson
Holly Martinez

Nick Ortiz
Richard Parker
Jessica Prihoda
Shannon Walker
Lori Williams
Jeannie Yockey-Fine

Regional Compact Staff:

Wanda Barker, SREB
Emily Jacobson, MHEC
Elisa Jaden, SREB
Sheridan Miller, NEBHE

Shelley Plutto, WICHE
Christina Sedney, WICHE
Rachael Stachowiak, NEBHE

Guests:

Alan Contreras
Michael "Mike" Goldstein
Catherine R. Guttman-McCabe

MINUTES OF THE NC-SARA BOARD MEETING

Meeting was called to order at 9:00 AM (Mountain Standard Time)

OCTOBER 28, 2020

Chair Lubbers opened the meeting with a welcome to all and roll call. All board members reported as present.

Agenda Item I (ACTION): Approval of minutes of the May 6, 2019 meeting

Motion to approve – Ed Ray

Seconded – John Cavanaugh

Following a friendly amendment from Michael Thomas to correct the minutes to show Rachael Stachowiak works for NEBHE and not WICHE, the approval passed unanimously.

Agenda Item II: Update on NC-SARA Progress

a) Lori Williams, NC-SARA

NC-SARA President and Chief Executive Officer Lori Williams shared an update on the progress made in the first quarter of NC-SARA's first three-year strategic plan, with assistance from General Counsel Jeannie Yockey-Fine and Executive Director for Student and Institution Support, Mary Larson. Jeannie Yockey-Fine shared about the status of the annual data collection and report, citing a 99% response rate, during the pandemic, with over 3 million distance education enrollments and nearly 350,000 out of state learning placements. Assistant Director for Research and Data Analysis, Rachel Christeson gave an update on the status of the enrollment and experiential learning placement reporting for 2019, as well as an update on the status of the cost savings study.

Jeannie Yockey-Fine gave a brief update regarding federal regulations impacting NC-SARA.

President Williams shared a few updates and graphic images representing the value of NC-SARA and the improvements to consumer protection, and continued with some updates on the progress made on achievement of the goals and objectives in the strategic plan in its first quarter of implementation.

Williams also shared about the addition of two new staff members, Dr. Melanie Booth, Director of Educational Programs and Communications, and Dr. Rachel Christeson, Assistant Director for Research and Data Analysis. She also shared that a new Director of Information Technology, Yovani Pina is starting with NC-SARA on November 16, 2020 and would be joining the board meeting to introduce himself the next day. Mary Larson gave an update on the status of information technology and other programs at NC-SARA including a refresh of the NC-SARA website to include the new branding, the searchable student program catalog, and the state authorization guide.

Belle Wheelan and Barbara Ballard complimented Williams on having accomplished so much in a short period of time.

- b) Susan Heegaard, President, Midwestern Higher Education Compact (MHEC)
President Susan Heegaard of MHEC announced the selection of several SARA State Portal Entity staff, SARA participating institution leaders, and board members to a board appointed Branch Campus Working Group which will work between the Fall 2020 and Spring 2021 board meetings on a report to inform branch campus policy. President Heegaard noted that MHEC includes eleven state members of SARA, with MHEC sharing North Dakota and South Dakota with WICHE, and 500 SARA participating institutions. President Heegaard said that MHEC held its annual meeting in July virtually for its SARA regional steering committee, with a planned half-day workshop for state portal entities. She also shared about the difficulty that some institutions have in adhering to the professional licensure policy in place at NC-SARA since its inception, given the new federal requirements and NC-SARA board vote to continue this disclosure policy in the spring of 2020.

- c) Michael Thomas, President, New England Board of Higher Education (NEBHE)
President Michael Thomas of NEBHE shared that NEBHE includes eight state members of SARA and just under 300 SARA participating institutions. He noted that since the beginning of the pandemic, 34 institutions from the NEBHE region, about four per month, joined SARA as participants. He cited this as a

demonstration of the ongoing value and evidence of the dynamic nature of higher education institutions. President Thomas expressed concern about enrollment declines between 1.5% and 15% across institutions and states totaling an estimated \$1.5 billion in lost tuition revenue. He then thanked the three board members cycling off and wished all good holidays in spite of the pandemic.

- d) Stephen Pruitt, President, Southern Regional Education Board (SREB)
Wanda Barker, SREB Division Director, shared the SREB update on behalf of President Stephen Pruitt. Ms. Barker shared that SREB includes 16 state members and over 1,100 participating institutions, over 45% of the total SARA participating institutions. Of the total institutions, 93 are HBCUs, and represent 95% of all HBCUs in the US. Ms. Barker also reported that four states were renewed as SARA members by the SREB regional steering committee earlier in the fall and their chair and vice chair were re-elected to serve an additional term. She also provided an update on the status of SREB SARA states appeals process with twelve ready to implement an appeal process on January 1, 2021, and eight states working to complete creating such a process.
- e) Demarée (Demi) Michelau, President, Western Interstate Commission for Higher Education (WICHE)
President Demarée Michelau expressed appreciation to President Williams for continued improvement and productivity in spite of the pandemic. President Michelau said that WICHE has thirteen states and 254 institution and echoed President Thomas's gratitude for the continuing openness in the policy review process with positive feedback from the WICHE region. She shared that Lanna Dueck serves as chair of the WICHE regional steering committee and there were smooth transitions of members of that committee. President Michelau explained that WICHE is now holding monthly SARA steering committee meetings to focus on state relationships, collaborative discussions, regional issues, and policy development. She also reported that two states were renewed in June 2020 and that Nevada held a virtual SARA state meeting in October. President Michelau shared that WICHE received an extension to implement a compact appeals process and that this is progressing well. Finally, she shared that there is continued interest from states and territories in the WICHE region to join SARA, thanking President Williams for continued open communication with interested parties in California, including consumer advocates.

Chair Lubbers suggested the board take a thirty-minute break before reconvening to break into discussion groups.

Agenda Item III: Small Group Discussions – Teresa Lubbers, Board Chair

Chair Teresa Lubbers invited board members to break into groups to discuss four topics. She explained that the purpose of the discussions was to engage board members in topics of interest and concern to NC-SARA without action or vote. Each group was asked to elect a spokesperson to report out on the key takeaways from each discussion.

The topics were:

- a) What is the role of NC-SARA in Quality Assurance Distance Education?
- b) How do you see the evolution of governance at NC-SARA?
- c) What is the current and future role of the regional steering committees?
- d) What should the action be for NC-SARA, post-COVID when accreditor, federal, and state waivers of distance education regulation expire?

Discussion ensued regarding each topic with staff taking notes for potential future board or staff action.

The first portion of the meeting adjourned at 1:00 pm Mountain Time

OCTOBER 29, 2020

Meeting was called to order at 9:00 AM (Mountain Standard Time)

Chair Lubbers opened the meeting with a welcome to all and roll call. All board members reported as present. In a change to the agenda, she then explained that the Finance Committee Report would come before the Executive Committee Report.

Agenda Item IV: Finance Committee Report – Leroy Wade, Treasurer

Treasurer Wade directed attention to the fiscal year 2020 financial audit and indicated that the Finance Committee had no questions or concerns with stable revenue from 2019 to 2020. Treasurer Wade then asked Director of Finance, Rich Parker, to share additional information concerning the audit. Mr. Parker said that the audit represents a year of a maturing organization with no significant or unexpected entries and no comment with feedback sharing process deficiencies. He also shared that NC-SARA will put out a bid for a new auditor in the coming year as it is the fifth year with this auditor.

- a) (ACTION) NC-SARA FY 2020 Audit
Chair Lubbers called for a motion to approve the fiscal year 2020 financial audit.

Motion to approve – Leroy Wade
Seconded – Kathryn Dodge

Motion carried unanimously with Leroy Wade recusing himself from the vote.

b) Q1 FY 2021 Financial Report

Treasurer Wade reported that the first quarter fiscal year 2020 report reflects a stable quarter that is on target and with less than 1% variation from planned budget. He also shared that this quarter shows movement of reserves funds into the investments planned through implementation of the NC-SARA reserves and investment policies.

c) Recommendation for the Election of a new Finance Committee Member

Treasurer Wade shared that with Kathryn Dodge cycling off the board, a replacement is needed on the Finance Committee. He said that the committee nominates Paul Shiffman given he is not cycling off at the end of 2021 and could complete a two-year term, is not also on the Executive Committee, and is not a new board member.

Susan Heegaard raised a concern about Paul Shiffman's ability to be fair in this capacity given earlier remarks concerning the need for an audit of the operational structure of NC-SARA including the role of the regional compacts. Paul Shiffman said he would be fair in his role on the Finance Committee and Susan Heegaard thanked him. Ed Ray said that in his experience to conduct such an audit is common practice and that he supports this effort.

Chair Lubbers called for a motion to approve electing Paul Shiffman to the Finance Committee to replace Kathryn Dodge.

Motion to approve – Leroy Wade
Seconded – Peter Smith

Motion carried unanimously with Leroy Wade recusing himself from the vote.

Agenda Item V: (ACTION): Report and recommendations of the Executive Committee – Teresa Lubbers, Chair

a) Recommendations for the election of Board members

Chair Lubbers explained that the board would turn to the election of three new board members to three-year terms from 2021 through 2023. There were over 65 nominations and self-nominations expressing their deep interest in working with NC-SARA moving forward. She said the Executive Committee was particularly looking to fill gaps in the areas of state

regulation, portal entities and community college representation. Chair Lubbers also called attention to the fact that five more board members will cycle off at the end of 2021 and seven cycling off at the end of 2022.

Art Coleman asked about the efforts to add an attorney general, consumer advocates and students to the board. Discussion about these ideas continued with Lori Williams sharing that she is working to continue conversations with board members in collaboration with consumer advocates and the National Association of Attorneys General. She also shared that she is continuing work on a social media plan to ensure outreach to students through connection with Higher Learning Advocates. Paul Lingenfelter shared that adding Art Coleman and Rob Anderson to the board was because of their commitment to student well being and work with the Institute for Higher Education Policy. He added that the board members have a broad perspective and do not feel a responsibility to argue a particular point of view, focusing on the welfare of students and higher education.

Several board members shared words of support for the three nominations. Chair Lubbers called for a motion to approve electing Angela Lee, Lanna Dueck, and Carlos Morales to the NC-SARA Board.

Motion to approve – John Cavanaugh
Seconded – Belle Wheelan

Motion carried unanimously.

b) Recommendation of Re-Election of Two Board Members

Following a brief discussion regarding the terms for Peter Smith and Larry Tremblay, Chair Lubbers called for a motion to approve re-electing Peter Smith and Larry Tremblay to a second three-year term from 2021 through 2023.

Motion to approve – Barbara Ballard
Seconded – Pat O'Brien

Motion carried unanimously and was subsequently withdrawn by Barbara Ballard and Pat O'Brien for more research and a possible later vote via email.

A unanimous vote to delay was passed.

c) Modification of the NC-SARA Bylaws – Catherine Guttman-McCabe

Chair Lubbers invited Catherine Guttman-McCabe to lead the board through a series of less substantive changes to the NC-SARA board bylaws, and explained that Mike Goldstein would later lead a subsequent discussion regarding potential bylaws changes.

Catherine Guttman-McCabe began by mentioning a few global changes and notes. She clarified that “members” as used in the bylaws refers to the board of directors and that there are no members of the corporation under Colorado law and in the articles of incorporation. Guttman-McCabe then led the board through explanation of several edits to the bylaws beginning with Section 1.

There was a recommendation from Belle Wheelan to edit the number of days prior to board meeting at which new board members would be elected, to show as 14 to share a list of nominees with the full board. Additional changes included the addition of a Secretary of the Board as required by Colorado law, procedures for the election of officers, and the power of the executive committee between meetings.

A recommendation was made to exclude the phrase “when travel is not possible,” in Article IV, Section 2, b, entitled Attendance, in order to emphasize the expectation that board members will attend in person whenever possible.

A friendly amendment was shared to add the word “board” between “NC-SARA” and “members” in the first sentence in Article VI, Section 1.

Chair Lubbers also called for a friendly amendment to Article VII, Section 1a, to add the phrase “of the membership” between “two-thirds” and “vote” in the last phrase of the last sentence.

Chair Lubbers also called for a vote to approve the bylaws changes as amended.

Motion to approve – Stephen Pruitt

Seconded – John Cavanaugh

Motion carried unanimously.

d) Discussion of NC-SARA Bylaws Issues – Mike Goldstein

Discussion began with issues related to the election of board members and officers. There was general agreement that when possible, it is preferable for board members to have had a year of experience prior to service as officers. It was also agreed that the Vice Chair assumes the role of Chair, unless there is reason to believe that Vice Chair will not serve ably, and that this assumption does not require a change to the bylaws, but represents process. Others suggested a possible policy statement regarding this practice over including this provision in

the bylaws. Opinions were shared about whether a board member replacing someone leaving earlier than a full term continues that term and then has additional three-year terms, or not. This issue will require additional discussion and agreement to clarify this issue in the bylaws.

The next bylaws issues discussed pertained to the Executive Committee. It was agreed that the rotation schedule for committee appointments of the regional compact presidents would be shared with the board and additional clarification added to the bylaws at a later date. Clarification regarding the role of the Finance Committee in working with NC-SARA staff, and the Finance Director specifically, to identify an auditor was already addressed in the bylaws revisions.

A brief discussion took place regarding the role of the Executive Committee in setting the agenda for the full board. Goldstein explained that it is common practice for the Executive Committee to set the board agenda with the President and that board members have the ability to raise issues at a meeting without going through the Executive Committee. There was also discussion about how any board member might add new business to the agenda. Finally, Goldstein expressed his and Catherine Guttman-McCabe's surprise and concern that the bylaws contain a provision in Article six, regarding the manner in which the president communicates with the board. He strongly recommended deleting this entire section as it represents procedure over policy.

Agenda Item V: (ACTION): Modifications to the SARA Manual

After explaining that there were six proposed modifications for board consideration, discussion and vote, with the first modification being called for a vote separately from the other five, Chair Lubbers invited President Williams and her team to explain the rationale for the modifications.

Policy Change Modification

- a) **(ACTION)** Approve Section 3.2 change to add one additional reason that a state might put an institution on provisional status.

Following a comment from Stephen Pruitt to note that NC-SARA must be clear with states about what is not negotiable and when states have flexibility, Chair Lubbers called for a motion to approve.

Motion to approve –Larry Tremblay
Seconded – Leroy Wade

Motion carried unanimously.

Policy Clarification Modifications

- b) **(ACTION)** Approve Section 1 modification to add a phrase regarding non-credit bearing courses to the definition of “Operate.”

No board discussion followed the explanation for this modification.

- c) **(ACTION)** Approve Section 2.6(c) modification to replace the word “it” with “the Compact” for clarity of reference.

A friendly amendment was requested by Patricia O'Brien to replace the word “themselves” with “itself” in the red lined version of the modification. No additional board discussion followed the explanation for this modification.

- d) **(ACTION)** Approve Section 3.1(b)(6) modification to language to align with application requirements for all institutions when programs are no longer offered

No board discussion followed the explanation for this modification.

- e) **(ACTION)** Approve Section 4.4(g) modification to delete the word “issues” in the context of the section regarding mandatory arbitration.

No board discussion followed the explanation for this modification.

- f) **(ACTION)** Approve Section 8.2(a) modification to add a phrase to specifically indicate that input on policy is expected from institutions and other key stakeholders and brought to the attention of NC-SARA.

Following a couple of clarifying questions from Susan Heegaard and Robert Anderson, which were answered by President Williams, Chair Lubbers called for a motion to approve the five modifications.

Motion to approve – Robert Anderson

Seconded – Paul Shiffman

Motion carried unanimously.

Agenda Item VI: Executive session

Agenda Item VII: Questions, comments, reflections from Board members

Adjourn

Meeting was adjourned following a private executive session.